

HED Property  
Owners  
Association  
Directors

★★★

Russell Joyner  
President  
*TrizecHahn*

Sheila Holincheck  
Vice President  
*Vinewood LLC*

Nathan Korman  
Secretary  
*1723 Wilcox*

Joel Fisher  
Treasurer  
*The Palace*

Rick Beltz  
*M + S Management*

Chris Bonbright  
*Whitley Court Partners*

Lynda Bybee  
*MTA*

Sam Cole  
*Roosevelt Hotel  
Hollywood*

Ed Collins  
*Buena Vista Pictures*

Donelle Dadigan  
*Max Factor Bldg.*

David Gajda  
*Hollywood Software*

William Hertz  
*Mann Theatres*

Kathy Ketchum  
*LA Gay & Lesbian  
Center*

Alan Sieroty  
*Sieroty Company*

John Tronson  
*Tronson Investment  
Group*

★

Kerry Morrison  
*Executive Director*



Hollywood Entertainment District  
Property Owners Association  
6425 Hollywood Blvd., Suite 401  
Hollywood, CA 90028  
phone 323 463 6767 fax 323 463 1839

July 3, 2003

TO: Karen Kalfayan  
Office of the City Clerk

FROM: Kerry Morrison  
Executive Director  
Hollywood Entertainment District POA

SUBJECT: Second Quarter  
April 1, 2003 - June 30, 2003

As is required in our Agreement with the City of Los Angeles, I am submitting our Second Quarter Report to summarize key activities of the Hollywood Entertainment District.

I. Operational Issues

- After submitting the 2002 Annual Report to the City, it was brought to the HEDPOA's attention that the new contract with the city, for the 2002-03 period, required a higher level of financial reporting: a financial review. The Board invited the president of the Association's accounting firm, Kellogg & Andelson, to meet with them at their May meeting. The directors approved the review (an non-budgeted \$5,000 expense) and it was completed, and presented to the Board at their June 19, 2003 meeting. The review presented a clean bill of financial health for the HED.
- The 2002 Annual Report was mailed to property owners on April 18, 2003. The Financial Review was mailed to property owners on June 30, 2003.
- The Board approved an office move for the HED staff. A three-year lease at the Taft Building (1680 North Vine Street) was approved at the April 17, 2003 meeting. The rent will be \$500 per month (parking and cleaning will be additional). The staff moved into the Taft Building on May 27, 2003.
- At the April 17, 2003 meeting of the Board, the board authorized a bylaws amendment which allows for the President of the Hollywood Chamber of Commerce to be appointed as an ex officio member of the HEDPOA Board of Directors. The draft amendment was presented and approved at the

**Quarterly Report  
Hollywood Entertainment District  
Second Quarter 2003**

---

May 22, 2003 meeting of the Board. Subsequently, Leron Gubler, President of the Chamber, was invited onto the Board.

**II Security**

- A private property owner, Jack Arian, owner of the Supply Sergeant, hired a private security patrol to patrol the Boulevard, commencing in early April. The HEDPOA distributed a letter to selected businesses, and mailed a letter to property owners indicating that this was a private service, not affiliated with the HED Security program.
- In the interest of enhancing communications with property and business owners regarding the HED Security program, the Security Committee initiated the first of three small group meetings with property owners. The first meeting was held on June 12 at the Roosevelt Hotel with stakeholders from the "Footbeat 2" portion of the District. (This encompasses Cahuenga - west side to McCadden - east side.) Approximately 20 individuals participated. Also on hand was the Senior Lead Officer for the LAPD and the Neighborhood Prosecutor for the City Attorney's Office. The next meeting will be scheduled for July.

**III Streetscape Issues**

- The Board authorized special maintenance (\$3,090) on the 16 Canary Island Date Palms by Wurzel Landscape. The trees will be fertilized and trimmed.
- Twenty new wrought-iron litter receptacles, from Victor Stanley, will be purchased from the Phase II Special Projects account (<\$16,000) to be placed on side and back streets of the original Phase II BID area.
- The HED testified to and submitted a letter to the Board of Public Works providing extensive comments on the draft newsrack ordinance. The ordinance has now been referred to the City Council's Public Works committee.

**IV Marketing Issues**

- During this period, sales were completed for the 2003-2004 HED Visitor's Guide and Map. This co-op marketing piece is largely funded by the 37 businesses who contribute a fair share to the printing of the map, and the printing and distribution is coordinated by WHERE Magazine, who will include it in their summer issue distributed to hotels and travel venues. The Board authorized a subsidy of \$10,000 (half from the Marketing Co-op

**Quarterly Report  
Hollywood Entertainment District  
Second Quarter 2003**

---

account, and half from the BID's marketing budget) to cover any sales shortfall for the \$69,000 project, in order to keep the map on track for summer distribution.

- The Board entered into a \$15,000 contract with Economics Research Associates to update the annual benchmarking survey/report. This year's data comparing 2002 to 1996 baseline date will be ready by mid-summer.

**V Other**

- **BID Renewal:** The Management Plan and petitions were mailed to the property owners on April 4. The Committee set an April 30<sup>th</sup> deadline to get petitions in, but actually did not submit the petitions to the City Clerk until May 16, 2003. In early May, the Steering Committee elected to remove one block from the boundaries of the BID – Cahuenga, from Selma to Sunset. The first hearing in front of the Economic Development Committee was held on June 6. At that time, the City Clerk announced that petitions submitted amounted to in excess of 64% of the assessment. However, based upon testimony from non-profit property owners, the Committee directed the Steering Committee to meet/mediate with representatives from the nonprofit community to forge an appropriate discount in relation to their activities. That meeting was held at the CD-13 office at City Hall on June 10. As a result of a compromise forged at that meeting, the Management Plan and assessment roll were amended, and re-submitted to the city for consideration at the June 17, 2003 meeting of the City Council. (As a result of the various negotiations, correction of assessment and zone errors and removal of the Cahuenga block, the overall budget as outlined in the Management Plan dropped from \$2,360,000 to \$2,251,885. ) The ballots were subsequently mailed to property owners on June 18, 2003. The final public hearing is scheduled for August 6, 2003.
- After meeting with officials from Los Angeles Unified School District for the past year, school Board member Marlene Cantor received approval from the Board earlier this year for an assessment policy that would allow school-owned properties to participate in business improvement districts. In the HED, the assessment was changed to incorporate a 60% discount for Selma Elementary School (it had previously been 50%) and a 75% discount on the land area. LAUSD asked that this new formula be applied retroactively to their past-due assessments dating back to the 98-99 tax year. The Board approved this retroactive application, subject to the approval of the City Clerk and/or City Attorney.